

**SOUTHWEST SUBURBAN SEWER DISTRICT  
KING COUNTY, WASHINGTON**

**RESOLUTION NO. 2014-14**

**A RESOLUTION OF SOUTHWEST SUBURBAN SEWER  
DISTRICT, KING COUNTY, WASHINGTON, AMENDING  
THE DISTRICT'S CONNECTION CHARGE POLICIES.**

WHEREAS, RCW 57.08.005(11) authorizes the Board of Commissioners of Southwest Suburban Sewer District ("District") to charge property owners seeking to connect to the District's sewer system in addition to the cost of the connection, such reasonable connection charges as the District Board of Commissioners shall determine to be proper in order that those property owners shall bear their equitable share of the cost the sewer system, including facilities planned for construction within the next ten years which are contained in an adopted comprehensive plan; and

WHEREAS, the District Board of Commissioners has previously established uniform sewer connection charges through the adoption of various resolutions; and

WHEREAS, the District desires to update and amend its current connection charge policies taking into consideration the cost of its existing general and local facilities, and the facilities that are planned for construction within the next ten years which are contained in an adopted comprehensive plan; and

WHEREAS, pursuant to RCW 43.21H.020, the District has taken into consideration economic values as well as the environmental, social, health and safety factors in determining the establishment of the applicable connection charges; and

WHEREAS, on November 18<sup>th</sup>, 2014 a public hearing was held for the purpose of taking public comment on the proposed changes to the District's policies relating to sewer connection charges, and the Board of Commissioners has considered the public comments made at the hearing, if any; now, therefore,

BE IT RESOLVED by the Board of Commissioners of Southwest Suburban Sewer District, as follows:

1. Changes to Chapter 5.48 of the District Policy Code. Chapter 5.48 of the District Policy Code is deleted in its entirety and the following language is substituted therefor:

## Chapter 5.48

### CONNECTION CHARGES

Sections:

- 5.48.010 Validity of Prior Contracts and Intent of Provisions.
- 5.48.020 Definitions.
- 5.48.030 Connection Charges Generally.
- 5.48.040 General Facility Connection Charges.
- 5.48.050 Local Facility Connection Charges.
- 5.48.060 Temporary Service Connection Charges
- 5.48.070 Change in Use.
- 5.48.080 Periodic Adjustment of Connection Charges.
- 5.48.090 Early Connection Credit.
- 5.48.100 Installment Contracts or Payments.

#### **5.48.010 Validity of Prior Contracts and Intent of Provisions.**

A. Any installment contract or connection charge agreement entered into between a property owner and the District pursuant to which the property owner was permitted to connect to the District's sewer system shall remain valid contracts and valid charges and shall be fully enforceable by the District.

B. Consistent with the legal requirement of RCW 57.08.005, it is the intent of this policy that all property owners seeking to connect to the District's sewer system pay their equitable share of the cost of the District's sewer system, including the cost of sewer facilities planned for construction within a period not to exceed ten years.

C. The applicable connection charges shall only be assessed one time against a property, and if a property has been previously assessed and the assessment was paid in full, the District shall not thereafter assess the property again for the same type of charge for the same type of use. Provided, however, connection charges paid relating to temporary service connections shall be governed by the terms of a temporary service agreement between the property owner and the District. A change in use which increases the demand on the District's sewer system may result in the imposition of additional connection charges.

#### **5.48.020 Definitions.**

The terms set forth in this Chapter shall be defined as follows:

"Accessory dwelling unit" or "ADU" is a habitable living unit that provides the basic requirements of shelter, heating, cooking and sanitation that is either attached to the principal single family dwelling or in a separate structure on the same property and which has a separate meter for electric or water service.

“Change in use” means any modification, development, change of use or change in intensity of use of real property that increases the demand on the District’s sewer system as measured by the number of equivalent residential units (ERUs) or similar measure associated with the use of the real property.

“Commercial use” means all commercial, business, industrial or other non-residential business uses.

“Connection charge” means a charge representing the connecting property owner’s equitable share of the cost of the District’s sewer system, which charge has been established in accordance with the requirements of RCW 57.08.005(11). A connection charge may include a general facility charge, a local facility charge, a temporary service connection charge established pursuant to a temporary service agreement between the property owner and the District, and any other charges established pursuant to a payback agreement between the District and a property owner relating to a Developer Extension project.

“Date of construction” means the date the District formally accepted the project or sewer facilities under construction as being complete.

“Date of service” means the date upon which the District notifies the property owners that service is available and provides notification of District charges, discounts and service charges associated with sewer service.

“Developer Extension” means a sewer project financed by a property owner for the purpose of providing sewer service to the subject property, including plats and short plats. Properties that are served by a Developer Extension are subject to a general facility charge, a local facility charge, and any other charges established pursuant to a payback agreement between the District and a property owner.

“District” means Southwest Suburban Sewer District.

“District Extension” means a sewer project constructed and paid for by the District. The District may authorize a District Extension project in order to alleviate a health hazard or to provide service to small areas (generally less than 20 properties). A District Extension may include facilities constructed and paid for by the District that are a part of, or connected to, a larger utility local improvement district (ULID) or local improvement district (LID) project.

“General facility” means any facility such as sewer lines, pump stations or treatment plants that serve customers beyond the immediate service area, including oversized pipe, extra depth, and freeway crossings.

“Local facility” means any facility such as sewer lines and pumps stations that primarily serve customers within a localized area and provide a means by which waste water may be conveyed to the District’s general facilities.

"Multi-family" means multiple residential units such as apartments, condominiums, townhomes, senior housing, mobile-home park or accessory dwelling units.

"Other uses" means all non-residential, non-multi-family and non-commercial uses such as churches, parks and schools.

"Residential" means each single family residential use, such as a house, modular home, manufactured home or mobile home, or other equivalent use.

"Temporary service" means a connection to the District's sewer system through the use of temporary sewer facilities installed at the property owner's expense which are not intended to be a permanent part of the District's sewer facilities and which have been authorized by the District to address special circumstances, including health and safety issues. A property that is served by a temporary service is subject to a general facility connection charge, a local facility connection charge, a temporary service connection charge established pursuant to a temporary service agreement between the property owner and the District, and any other charges established pursuant to a payback agreement between the District and a property owner relating to a Developer Extension project. A property owner requesting temporary service shall be required to enter into a Temporary Service Agreement with the District setting forth the terms and conditions of such temporary service.

"ULID" or "LID" means utility local improvement district or local improvement district which are methods of financing the cost of constructing sewer facilities through the assessment of properties in accordance with the procedures set forth in Chapter 57.16 RCW.

#### **Section 5.48.030 Connection Charges Generally.**

Owners of real property seeking to connect to the District's sewer system shall pay the connection charges as set forth in this Chapter. The applicable connection charges shall be paid by the property owner at the time of application for the sewer permit.

#### **Section 5.48.040 General Facility Connection Charges.**

A. Property owners seeking to connect to or obtain increased service from the District's sewer system to serve real property for which the property owner has not paid an equitable share of the cost of such sewer system shall pay the applicable general facility connection charges identified below:

CONNECTION TYPE	GENERAL FACILITY CHARGE
Residential	\$3,402
Multi-family (Per Unit)	\$2,143
Commercial and Other Uses (by Water Meter Size)	
5/8 x 3/4 inch	\$3,402
1 inch	\$8,505
1 1/2 inch	\$17,011
2 inch	\$27,217
3 inch	\$54,434
4 inch	\$85,053
5 inch	\$119,074
6 inch	\$170,105
8 inch	\$272,169
	See Section 5.48.040 B for applicable credit, if any.

B. Property owners seeking to connect to, or increase the demand on, the District's sewer system to serve real property which is located within the boundaries of ULID No. 55 who have been previously assessed and paid a charge relating to the District's secondary treatment facilities shall receive a credit of \$1,225 if classified as a Residential use or \$775 if classified as a Multi-family Use. The credit will be applied to the applicable general facility connection charges identified in Paragraph A above.

C. The applicable general facility connection charges for customers classified as Commercial or Other uses based on meter size may be reduced to the general facility connection charge applicable to the smallest meter size if actual water use for non-irrigation purposes over the preceding one (1) year period is on average below the base minimum level of water use established for Commercial customers (currently 750 cubic feet per month). The District General Manager is authorized to make reductions to the applicable general facility connection charges for customers classified as Commercial or Other uses consistent with the terms of this policy. The District shall be entitled to collect from a customer, or its successor, the amount of any reduction in a general facility charge previously granted to a customer if, at any time after connecting to the District's sewer system, a change in use occurs that results in an increase in water use above the minimum level of water use established for Commercial customers.

**Section 5.48.050 Local Facility Connection Charges.**

Property owners seeking to connect to the District's sewer system to serve real property abutting or adjacent to local sewer facilities for which the property owner has not paid an equitable share of the cost of such sewer system through (a) installation of such facilities by developer extension agreement; (b) payment of a latecomer reimbursement obligation; or (c) participation in a ULID/LID which installs such system, shall pay the applicable local facility connection charge set forth below:

A. District Extension Projects. The District has by prior resolutions adopted local facility connection charges that were calculated and established by the District to reflect the fair and equitable share of the cost of the local facilities constructed through various District Extension projects. The District has and shall maintain an administrative file that identifies all of the local facility connection charges previously adopted by the District for various District Extension projects which shall be paid as a condition of connecting to the District's sewer system. Future District Extension projects may be authorized by District resolution which will establish an area specific local facility connection charge associated with those sewer facilities.

B. Developer Extension Projects. Property owners seeking to connect to a sewer main constructed by Developer Extension shall pay the connection charges set forth in the payback agreement between the District and the property owner who constructed the sewer facilities. After the expiration of the applicable payback period, the District shall collect and retain the connection charge payments established under the payback agreement, plus interest from the date of construction for a period not to exceed 10 years.

C. ULID/LID Projects. Property owners seeking to connect to a sewer main or other facilities constructed through a ULID/LID project for which the property owner has not paid an equitable share of the cost of such sewer system through participation in the ULID/LID that installs such system shall be required to pay a local facility connection charge to be calculated in the same manner as the assessment established in the applicable ULID/LID extension project, plus interest from the date of construction for a period not to exceed 10 years.

D. Special Connection Charge. A special connection charge of \$15,520 is established and shall be collected from property owners seeking to connect to the District's sewer system to serve real property abutting or adjacent to local sewer facilities who have not paid an equitable share of the cost of such sewer facilities under Paragraphs A, B or C of this Section.

E. Applicable Interest Rates. RCW 57.008.005(11) authorizes the District to charge and collect interest on the applicable connection charges from the date of construction of the system, or for a period of ten years, whichever is shorter, at a rate commensurate with the rate of interest applicable to the District at the time of construction of the system facilities. The rate of interest to be used by the District to calculate connection charges will be equal to the applicable Ten-Year Constant Maturity Treasury Rate in effect at the time of construction, rounded up or down to the nearest one-quarter percent (1/4%).

F. Collection of Local Facility Connection Charges. The applicable local facility connection charges shall be paid by the property owner at the time of application for the sewer permit.

#### **Section 5.48.060 Temporary Service Connection Charges.**

Property owners who seek to connect to the District's sewer system through the use of a



Temporary Service shall, prior to connection, execute a Temporary Service Agreement in a form approved by the District General Manager, and shall pay permit, inspection and recording fees and the applicable general facility charge, local facility charge, and/or other temporary service connection charges established pursuant to a Temporary Service Agreement between the property owner and the District, and any other charges established pursuant to a payback agreement between the District and a property owner relating to a Developer Extension project.

**Section 5.48.070 Change in Use.**

Additional connection charges shall be paid by property owners already connected to the District's sewer system when the property owner changes or increases the use of the property in a manner that increases the demand on the District's sewer system; provided that the addition of an accessory dwelling unit shall only be subject to the payment of an additional general facility connection charge and not a local facility connection charge.

**Section 5.48.080 Periodic Adjustment of Connection Charges.**

The District will periodically review its general facility connection charges and local facility connection charges and amend them as deemed necessary and appropriate.

**Section 5.48.090 Early Connection Credit.**

Owners of properties in a newly created ULID/LID or District Extension that connect to the District's sewer system within two (2) years following sewer availability shall be entitled to an early connection credit as set forth below:

A. An early connection credit of \$500 shall be given to property owners that connect to the District's sewer system within one (1) year of date of service.

B. An early connection credit of \$250 shall be given to property owners that connect to the District's sewer system within two (2) years of date of service.

**Section 5.48.100 Installment Contracts and Payment Terms.**

Property owners seeking to connect to the District's sewer system shall have the option of paying the applicable connection charges over time in accordance with the District's standard Connection Charge Installment Payment Agreement. Property owners who elect this payment option shall pay ten percent (10%) of the applicable connection charges prior to connection to the District's system and prior to the District's execution of the installment agreement. The remaining balance of the charges shall be paid in either ten (10) or fifteen (15) annual installments, at the option of the property owner, with interest at the applicable Ten-Year Constant Maturity Treasury Rate then in effect, rounded up or down to the nearest one-quarter percent (1/4%), plus one-half percent (1/2%) for administration. The interest shall be computed annually on the unpaid balance. The District General Manager is authorized to execute the installment agreement on behalf of the District.

2. All District resolutions, policies and procedures are hereby modified and amended to be in accordance with the policies, terms and conditions set forth in this Resolution.

ADOPTED at a regular open public meeting of the Board of Commissioners of Southwest Suburban Sewer District, King County, Washington, held on the 18<sup>th</sup> day of November, 2014.


SOUTHWEST SUBURBAN SEWER  
DISTRICT  
KING COUNTY, WASHINGTON

Individual Commissioner's  
Vote on Resolution

In Favor Of:   
Opposed:   
Abstained:

  
\_\_\_\_\_  
William A. Tracy  
President and Commissioner

In Favor Of:   
Opposed:   
Abstained:

  
\_\_\_\_\_  
Susan Genzale  
Vice President and Commissioner

In Favor Of:   
Opposed:   
Abstained:

  
\_\_\_\_\_  
Scott Hilsen  
Secretary and Commissioner



## CERTIFICATE

I, Scott Hilsen, Secretary of the Board of Commissioners of Southwest Suburban Sewer District, King County, Washington, do hereby certify that the foregoing resolution is a true and correct copy of Resolution No. 2014-14 of such Board, duly adopted at a regular meeting thereof held on the 18<sup>th</sup> day of November, 2014, signed by the members of such Board in attendance at such meeting and attested by myself in authentication of such adoption.

A handwritten signature in blue ink, appearing to read "Scott Hilsen", is written over a horizontal line.

Scott Hilsen, Secretary  
Board of Commissioners  
Southwest Suburban Sewer District  
King County, Washington.